GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Labour Employment Training and Factories Department – Online Inspection system in Labour Department with a view to ensure simplification, transparency and accountability in Governance - Online Inspection portal launched – Instructions on conduct of online Inspections –Issued.

LABOUR EMPLOYMENT TRAINING AND FACTORIES (Lab.II) DEPARTMENT

G.O.MS.No. 9 Dated: 27-02-2016

Read the following:

1. G.O.Ms.No.33 of LET&F Department, dated: 27.08.2002.
2. DIPP, Government of India recommendations 2016 communicated through D.O.Lr.No. 12-1-2105/SDP, dated 02.11.2015 of the Secretary, Industries Department, Government of Andhra Pradesh.
3. Letter from the Commissioner of Labour, Andhra Pradesh, Hyderabad dated:18.02.2016 & 23.02.2016.

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O R D E R:

In the G.O.1st read above, the Government have issued orders prescribing systematized inspection procedure to be followed in the Labour Department with a view to regulate the inspections for Inspecting officers from the level of Assistant Labour officer to Joint Commissioner of Labour giving specific responsibility and accountability in taking up inspections of various categories of establishments along with its allocation depending up on number of employees and category of the establishment etc. under the labour laws.

2. In the letter 3rd read above, the Commissioner of Labour, Andhra Pradesh, Hyderabad while stating the circumstances has furnished the proposal for online inspection requesting for following instructions for Online Inspection Procedure in the Labour Department towards compliance of recommendations / observations, 2016 of Department of Industrial Policy and Promotion (DIPP), Ministry of Commerce and Industry, Government of India for securing Ease of Doing Business and Ease of compliance of Law by Industry with an object to ensure simplification, transparency and accountability in the Governance in implementation following Labour Laws:

1. A.P. Shops & Establishments Act, 1988
2. Motor Transport Workers Act, 1966
3. Beedi & Cigar Workers Act, 1966
4. Contract Labour (R&A)Act, 1970
5. Inter State Migrant Workmen (COE) Act, 1979
6. Building and Other Construction Workers (RE&CS) Act, 1996
7. Child Labour (P&R) Act, 1986
8. Minimum Wages Act, 1948
9. Plantation Labour Act, 1951
10. Maternity Benefit Act, 1961
11. A.P. Labour Welfare Fund Act, 1987
12. Payment of Bonus Act, 1965
13. Payment of Gratuity Act, 1972
14. Equal Remuneration Act, 1976
15. A.P. Factories (National, Festival & other Holidays) Act, 1974

3. After careful examination of the matter, the Government, hereby issue the following instructions for online inspection in continuation of the orders issued in the G.O.1st read above with regard to regularization and systematization of inspection procedures to be followed in the Labour

Department with a view to ensure simplification, transparency and accountability in Governance.

I. Inspecting officers:

Assistant Labour Officer, Assistant Commissioner of Labour, Deputy Commissioner of Labour, Joint Commissioner of Labour at field level and Assistant Commissioner of Labour-I and II, Deputy Commissioner of Labour, Joint Commissioner of Labour, Additional Commissioner of Labour and Commissioner of Labour.

II. Supervisory officers:

Assistant Commissioner of Labour on the online inspections carried out by the Assistant Labour Officer, Deputy Commissioner of Labour of the District on the inspections carried out by the Assistant Commissioner of Labour, Joint Commissioners of Labour on the inspections carried out by the Deputy Commissioner of Labour and Commissioner of Labour on the inspections carried out by the Joint Commissioner of Labour in the field.

III. Data base of Establishments:

The following are the sources of data base of establishments for online inspection.

1. Data of establishments registered / renewed under A.P. Integrated Registration Act through mee-seva platform.
2. Data of Shops & Establishments, Motor Transport Undertakings, Factories, Societies and Trusts covered under A.P. Labour Welfare Fund Act, 1987 furnished by NIC.
3. Data of Factories furnished by Factories Department.
4. Establishments submitted online combined annual returns and not complied with the provisions of the labour Acts applicable.
5. Complaints received through online complaint portal "Mee-Kosam".

IV. Selection of Establishments for online inspection:

Selection of establishments for online inspection shall be on risk assessment on the following criteria:

1. Number of workers
2. Nature of activity of the establishment.
3. Number of contract workers.
4. Status of compliance on the basis of combined annual return / online inspection (rating of compliance to be given by the department as prescribed by the Commissioner of Labour)
5. Complaints (workers, trade unions, managements, citizens etc.)
6. Compulsory Inspections (Ex: Orders of Courts and other Judicial Institutions like Lokayukta, HRC etc.
7. An establishment inspected in a year will not be inspected in the next two years.

V. Random allocation of establishments and inspectors for online inspection:

System randomly allocates establishments to the inspecting officers and inspecting officers to the establishments. In case of inspection of an

establishment in the area other than his/her jurisdiction, the inspecting officer having administrative jurisdiction shall take up follow up action.

System ensures that the same establishment is not allotted to the same inspector for a period of 3 years.

VI. Risk based assessment & categorization of establishments:

(a) Risk categorization on the basis of number of workers:

Risk in the perspective of the Labour department for categorization into high risk, medium risk and low risk establishments relates to risk to the workers in terms of their entitlement viz. wages, bonus & other remuneration, leave, holidays, working hours, , worksite facilities, safety & health, welfare and social security measures like gratuity, EPF, ESI, accident compensation etc.

Experience of the department indicates that the smaller the establishment the less is the compliance. Therefore small establishments employing up to 100 workers may be categorized as high risk establishments.

Establishments having employees 100 to 300 have the tendency to comply with the labour laws to some extent and further compliance may be secured by some moderate action towards enforcement. Such establishments may be categorized as medium risk establishments.

Establishments having more than 300 workers generally comply with the labour laws to a reasonable extent due to their resourcefulness and further compliance may be secured by persuasive measures. These establishments may be categorized as low risk establishments.

All establishments having no employees are only required to be registered and no other provisions of labour laws are applicable to such establishments and therefore may be categorized no risk establishments and may be totally excluded from inspection system.

(b) Risk categorization on the basis of number of contract workers engaged:

There are certain establishments employing large number of contract workers some times more than the number of regular workers. In such establishments, the terms and conditions of employment of regular workers and contract workers are totally different and contract workers are prone to exploitation. The contract establishments of all such establishments employing contract workers exceeding 25 % of total workers of the Principal Employer establishment be categorized as high risk establishments.

(c) Risk categorization on the basis of nature of activity of the establishment:

In certain activities workers are prone to exploitation besides risk of accidents and health hazardous. On the basis

of activity the following establishments may be categorized as high risk establishments.

1. Automobile engineering workshops including servicing and repairs.
2. Brick kilns.
3. cashew processing.
4. chemicals and pharmaceuticals.
5. cinema industry.
6. Colour printing and yarn dying.
7. construction or maintenance of roads and buildings.
8. Cotton ginning and pressing.
9. Glass industry.
10. Handloom weaving.
11. Hotels, restaurants and eating houses.
12. Jute and coir.
13. Khandasari Factories.
14. Lime stone kilns.
15. Match and fire works.
16. Metal foundries and general engineering.
17. Mica works.
18. Petrol bunks.
19. Power loom industry.
20. Printing press including litho and offset printing.
21. Motor transport undertakings.
22. Rice Mills, flour mills, dall mills, oil mills, saw mills.
23. Steel mills and steel-rerolling mills,
24. stone breaking and stone crushing operations.
25. Tanneries and leather manufactory.
26. Tiles and potteries.
27. Tobacco including beedi making.
28. Security services.
29. Spinning mills and
30. Baking process including biscuit manufactory.

On the same basis the following establishments may be categorized as medium risk establishments.

1. Clubs and canteens.
2. Cement concrete pipes.
3. Cotton carpet weaving.
4. distilleries and breweries.
5. Electronics industry.
6. Fisheries and sea foods.
7. Garment and allied manufacturing industry.
8. Gold covering industry.
9. Hospitals, Nursing homes and clinics other than Govt. Hospitals and dispensaries.
10. Mesta used twine mills.
11. Paper and paper boards including straw board and hand made paper manufactory.
12. Power loom industry.
13. Salt pans.
14. Soft drinks and aerated water manufacturing units.
15. Wood working establishments.
16. Woolen carpeting and shawl weaving establishments.

VII. Specification of Establishments:

Establishments to be inspected online by the inspecting officers are allotted on the basis of norms specified in G.O.Ms.No.33, dated 27.08.2002 as follows:

(a) Assistant Labour Officer:

Shops & Establishments (up to 10 workers) , Beedi & Cigar Estts. (up to 50 workers), / Motor Transport Undertakings (up to 50 workers), Building & Other Construction Estts up to 25 workers.

(b) Assistant Commissioner of Labour:

Shops & Establishments (up to 30 workers) Hospitals (up to 50 workers) Factories Notified U/Section 85 of the Factories Act, 1948,

Beedi & Cigar Estts. (above 50 workers), Motor Transport Undertakings (above 50 workers), / Contract Labour Estts. {up to 100 workers (Prl. Employer Estt.)} Building & Other Construction Estts up to 50 workers.

(c) Deputy Commissioner of Labour:

Shops & Establishments employing above 31 workers, Hospitals 51 to 100 workers, Factories up to 300 workers, Motor Transport Undertakings in Factories, Contract Labour Estts. of Principal Employer 101 to 300 workers, Building & Other Construction Estts up to 100 workers.

(d) Joint Commissioner of Labour:

IT Establishments, Star Hotels, Hospitals employing above 100 workers, Contract Labour establishments above 300 workers, Inter State Migrant workmen establishments above 300 workers, Factories above 300 workers, Building & Other Construction Estts above 100 workers.

(e) Joint inspection by Labour & Factories Departments:

Factories Department is also implementing online inspection system which allots factory establishments to the Inspectors of factories for online inspection. Labour Department is required to inspect certain Factory establishments under certain labour Acts and such establishments are allocated by the system for online inspection. In respect of such of the Factory establishments which figure in the allotted list of factory establishments of both departments in a particular month, the respective inspecting officers who were allotted such factory establishments shall carryout inspection of such factory establishment jointly in consultation with each other. The list of factory establishments to be inspected shall be generated by the systems by 28th of the previous month.

VIII. Establishments exempted from online inspection:

1. Start Up Establishments for a period of 2 years from the date of commencement of work / business.
2. Establishments having no employee.
3. Establishments under SEZs.
4. Establishments submitted combined annual return and having no violations consecutively for 3 years.
5. Any other establishments specifically exempted by the Govt.
6. Establishment inspected in the first year will be exempted for the next 2 years for inspection by any inspecting officer.

IX. Number of days of inspection and Number of inspections per day:

As per the feedback of the field officers of the department, the number of days to be allotted in a month by each inspecting officer for carrying out inspections and number of online inspections to be conducted per day has been assessed and specified as follows:

Name of Officer	Number of inspecting days in a month	Number of inspections per day
Assistant Labour Officer	8	3
Assistant Commissioner of Labour	6	2
Deputy Commissioner of Labour	5	1
Joint Commissioner of Labour	4	1

X. Instructions to inspecting officers and Supervisory Officers:

1. Link for the Online Inspection Portal is provided in the Home Page of Labour Department Web Site at www. Labour.ap.gov.in and inspecting officers are required to login with the User I D provided to them. Option to change the pass word is provided and inspecting officers are advised to change the password provided initially in the trial run and not to share the same with others. After login to the inspection portal, the Inspecting officer should note down the list of establishments to be inspected by him/ her during the month and proceed to undertake the online inspections.

2**.** The inspecting officers shall take up online inspection of Establishments as allocated by the system for the month. On the 28th of the previous month system allocates the establishments to be inspected by each inspecting officer in the next month. Inspecting officers shall carryout online inspection only and no offline and manual inspection is permitted. Manual inspection of establishments shall be carried out in case of need only on the orders of courts / Govt. or instructions of the Commissioner of Labour.

3. The inspection procedure is elaborate in the case of establishments in high risk category while a simple procedure is provided for medium risk establishments.

4. Online inspection should be carried out only when the establishment is visited physically and the data shall be entered into the inspection portal on the spot using the tablet/PC. All Tablet Pcs provided to the inspectors are registered under MDM (Mobile Device Management) system to integrate GPS.

5. The system transmits the Inspection Report to the employer on the spot through e-mail of the Establishment / Employer entered in the Inspection Report and SMS shall be sent to the mobile of the employer of the establishment.

6. On submitting the Inspection report online, MIS Report will be received by the Supervisory Officer who in turn shall record his remarks within 2 days.

7. If, no remarks recorded by the supervisory officer within 2 days, the system will automatically generate the Inspection order cum Notice based on the Inspecting Officer’s findings and sends by e-mail, to the Employer/Establishment for submission of compliance online.

8. If, the supervisory officer records his remarks deviating from the action proposed by the inspecting officer, the inspector shall proceed to generate Inspection Report –cum-Notice accordingly and the

system will transmit the same to the employer by e-mail and sends SMS to the Employer.

9. The employer shall submit the compliance within one month through e-mail, failing which the inspecting officer shall proceed to take up further action as per law.

10. The main object of the online inspection system is to provide ease of compliance of law by the Industry while protecting the interest of the workers. The information about the online inspection shall be publicized by placing in the web site of the department to bring awareness to the employer to comply with the statutory provisions without physical touch point.

4. The Commissioner of Labour, Andhra Pradesh, Hyderabad shall take necessary action accordingly and report compliance.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

G. ANANTHA RAMU
PRINCIPAL SECRETARY TO GOVERNMENT

To
The Commissioner of Labour, Andhra Pradesh, Hyderabad.
The Secretary to Government Industries Department, Andhra Pradesh, Hyderabad.
The Director of Factories, Andhra Pradesh, Hyderabad.
All District Collectors, through Commissioner of Labour, Andhra Pradesh, Hyderabad.
Copy to:
OSD to Hon'ble Minister for Labour Employment Training and Factories Department.
PS to Principal Secretary to Government, Labour Employment Training and Factories Department.

// FORWARDED :: BY ORDER//

SECTION OFFICER